

The House Committee on Ways and Means offers the following substitute to HB 299:

**A BILL TO BE ENTITLED
AN ACT**

1 To amend Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to sales
2 and use tax exemptions, so as to revise and change comprehensively the exemption for sales
3 to hospital authorities; to revise and change comprehensively the exemption for sales to
4 nonprofit licensed nursing homes, in-patient hospices, or certain nonprofit general or mental
5 hospitals; to provide for an effective date; to repeal conflicting laws; and for other purposes.

6 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

7 **SECTION 1.**

8 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to sales and use tax
9 exemptions, is amended by revising paragraph (6) as follows:

10 "(6)(A) Sales to any hospital authority created by Article 4 of Chapter 7 of Title 31.
11 (B) For the purposes of this paragraph, the term 'local sales and use tax' shall mean any
12 local sales tax, local use tax, or local sales and use tax which is levied and imposed in
13 an area consisting of less than the entire state, however authorized, including, but not
14 limited to, such local taxes authorized by or pursuant to constitutional amendment; by
15 or pursuant to Section 25 of an Act approved March 10, 1965 (Ga. L. 1965, p. 2243),
16 as amended, the 'Metropolitan Atlanta Rapid Transit Authority Act of 1965'; or by or
17 pursuant to any article of this chapter.

18 (C) The exemption provided for in this paragraph shall apply only to any local sales
19 and use tax levied or imposed at any time and shall not apply to state sales and use tax;"

20 **SECTION 2.**

21 Said Code section is further amended by revising paragraph (7) as follows:

22 "(7)(A) Sales of tangible personal property and services to a nonprofit licensed nursing
23 home, or nonprofit licensed in-patient hospice, or a nonprofit general or mental hospital
24 used exclusively by such nursing home, in-patient hospice, or hospital in performing
25 a general nursing home, in-patient hospice, hospital, or mental hospital treatment

26 function in this state when such nursing home; or in-patient hospice, or hospital is a tax
27 exempt organization under the Internal Revenue Code and obtains an exemption
28 determination letter from the commissioner.

29 (B)(i) Sales of tangible personal property and services to a nonprofit general or
30 mental hospital used exclusively by a nursing home, in-patient hospice, or hospital in
31 performing a general nursing home, in-patient hospice, hospital, or mental hospital
32 treatment function in this state when such hospital is a tax exempt organization under
33 the Internal Revenue Code and obtains an exemption determination letter from the
34 commissioner.

35 (ii) For the purposes of this subparagraph, the term 'local sales and use tax' shall
36 mean any local sales tax, local use tax, or local sales and use tax which is levied and
37 imposed in an area consisting of less than the entire state, however authorized,
38 including, but not limited to, such local taxes authorized by or pursuant to
39 constitutional amendment; by or pursuant to Section 25 of an Act approved March 10,
40 1965 (Ga. L. 1965, p. 2243), as amended, the 'Metropolitan Atlanta Rapid Transit
41 Authority Act of 1965'; or by or pursuant to any article of this chapter.

42 (iii) The exemption provided for in division (i) of this subparagraph shall apply only
43 to any local sales and use tax levied or imposed at any time and shall not apply to
44 state sales and use tax;"

45 **SECTION 3.**

46 This Act shall become effective on July 1, 2010.

47 **SECTION 4.**

48 All laws and parts of laws in conflict with this Act are repealed.